



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

Mr. John F. Morrow, Sr.
Morrow, Alexander & Porter, PLLC
Attorneys and Counsellors at Law
3890 Vest Mill Road
Winston-Salem, NC 27103-1302

OCT 19 2006

RE: MUR 5563
Kirk Shelmerdine Racing LLC

Dear Mr. Morrow:

On June 7, 2005, the Federal Election Commission found reason to believe that your client, Kirk Shelmerdine Racing LLC, violated U.S.C. § 434(c) and (g), provisions of the Federal Election Campaign Act of 1971, as amended. However, after considering the circumstances of this matter, the Commission determined on August 1, 2006 to take no further action and closed the file in this matter. A copy of the dispositive General Counsel's Report is enclosed for your information. A Statement of Reasons from former Commissioner Smith and Chairman Toner explaining their respective votes at the time of the Commission's reason to believe findings is enclosed. In addition, the Statements of Reasons from Commissioners Mason and Von Spakovsky explaining their respective votes in connection with the Commission's decision to take no further action and close the file are enclosed. Other Statements of Reasons may follow.

The Commission reminds your client that persons who make independent expenditures in excess of \$250 during a calendar year, and \$1,000 after the 20th day, but more than 24 hours, before the date of an election, must file independent expenditure reports with the Commission. *See* 2 U.S.C. § 434(c) and (g). Your client should take steps to ensure compliance with these provisions in the future.


Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003).

26044151492

Mr. John F. Morrow, Sr.
MUR 5563
Page 2

If you have any questions, please contact me at (202) 694-1650.

Sincerely,


Roy Q. Lockett
Attorney

Enclosures
General Counsel's Report
Statements of Reasons

26044151493